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continue to rise considerably for a long time, thus continuously increasing the excess of their bad over their good effects. These facts have not been established.

One closes the reading of the book with the impression that the author has overemphasized the advantages of rising prices. It is true that attention is called to certain unfortunate effects of constantly rising prices, but very little space is devoted to this phase of the subject in comparison with the stress laid on the many benefits derived from the increase. The difficulties connected with the making of a long term business contract during a period of increasing prices, for instance, are not mentioned; there is no specific mention of the elementary fact that fairly level prices are necessary to a just distribution of wealth. On the whole, however, the author has covered his subject in an interesting manner; the style is readable and even lively at times; a comparison of a few of the statistical statements with the original sources showed them to be accurate; the subject-matter is conveniently arranged in chapters and sections; there is a good index and an adequate bibliography.

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A History of Banking and Currency in Ohio before the Civil War.

By CHARLES CLIFFORD HUNTINGTON. Ohio Archaeological and Historical Quarterly, Vol. XXIV, No. 3. (Columbus: Ohio Archaeological and Historical Publications. 1915. Pp. 312.)

The state laws, documents, and reports have been chiefly drawn upon for the materials of this study, together with the newspapers of the time. Except for the early period, secondary authorities in this field are either lacking or untrustworthy, and are seldom quoted. This monograph is the latest addition to the considerable volume of material being gathered and published under the auspices of the Carnegie Institution on the economic history of the United States, and is one of the most authoritative studies yet published.

The book is divided into two parts, the first dealing with banking as carried on under special charters, which continued from 1803 to 1843, and the second treating banking under general laws, between 1843 and 1863. After the latter date the state bank was wound up (in 1866) and most of the other banks

with state charters reorganized as national banks, so that the year 1863 marks the virtual end of the history of state banking in Ohio.

The organization of the first bank in Ohio was almost contemporaneous with the admission of the state into the Union, but the development was slow for a few years. Beginning with about 1815, however, there ensued a period of rapid bank organization and consequent inflation of the currency, which was temporarily brought to an end by the crisis of 1819. The share which the Second Bank of the United States played in banking operations is set forth, and the attempt of the state of Ohio to tax the bank is impartially described, though the author might have pointed out in this connection that Ohio passed no legislation concerning the bank that had not already been enforced against local banks, and was inspired by no such feeling of savage hostility to good banking as some historians have represented. The panic of 1819 was followed by a half-decade of depression and slow recovery; from 1831 to 1836 there was a period of bank expansion that was closely connected with the development of internal improvements, with land speculation, and with business expansion. The panic of 1837 not only put an end to such practices, but called forth restrictive legislation.

With the second period, beginning in 1843, we come to the experiments made in Ohio, similar to those in other states, with the safety fund and bond deposit systems of banking. In 1843 the charters of most of the old banks which had issued bank notes based upon general assets expired. There was general discussion as to the whole question of banking, and in 1845 an act was passed recognizing the old banks which still existed and providing for the organization of the State Bank of Ohio on a safety fund basis, and for independent banks under a bond deposit system. With three systems of banking existing concurrently in the state, it would seem that the merits of the different methods could be effectually tested. In 1851 a free banking law was passed, and a fourth kind of bank, of the bond deposit variety, was created; these differed from the independent banks chiefly in the fact that they had to pay in a larger percentage of their capital before beginning business. The decade following the passage of this law was on the whole one of prosperity to the banks, though it was marked by a violent struggle over taxation between

the banks and the legislature; the public was, moreover, well served in banking facilities. The author concludes that the safety fund system, as worked out in the State Bank of Ohio, was the best of all. "It gave the very highest satisfaction, and as a system adapted to the needs of the people at the time, was probably one of the best in the country."

This is a careful and painstaking piece of work, and has covered the ground thoroughly. It is, however, almost too much an external history of banks, their number, charters, taxation, legislation, etc. The most valuable part of the study consists of the all too infrequent sections that deal with banking practice. The legislative history is not as important as the description of the banks from an economic point of view, considered as public service institutions. This is more difficult to give than the other, but would be the more gratefully received.

Incidentally, note may be made of the curious method of citing authorities and dates, and the punctuation of the same, in the footnotes.

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Foreign Exchange and Foreign Bills in Theory and in Practice.

By WILLIAM F. SPALDING. (London and New York: Sir Isaac Pitman and Sons, Ltd. 1915. Pp. xii, 216. 5s; \$2.00.)

The author of this book, who is a lecturer on foreign exchange in the City of London College, declares his object to be the presentation in a concise and simple form of the theory and practice of foreign exchange, with special attention to the subject of foreign bills. He writes from the point of view of London as the world's banking center, although giving considerable attention to the abnormal conditions arising out of the present war because of which that center has been shifted temporarily to New York.

The book contains a clear statement of the elementary principles and practices of foreign exchange, and most of the illustrations are of the simple kind that illustrate rather than of the complex kind that confuse—a quality as important as it is rare in modern books on foreign exchange. One merit is the inclusion of two good chapters on the Eastern exchanges; and another merit is a useful description of the various types of bills negotiated in the London money market. The book is stronger on the practical side than on the theoretical. It is in no sense a substitute for